

TS-1 Tax Comparison Statement

Frequently Asked Questions

1. What is the difference between the TS-1 and the Tax Bill?

The official TS-1 form as prescribed by the State is a multiple page document which incorporates both the Tax Comparison Statement and Tax Bill. The State has produced many options for fulfilling the TS-1 with the intention of meeting each county's unique situation. As seen in the standard TS-1 (Option 1), the Tax Bill incorporated into this form is now simply the remittance stubs with the majority of the detail information regarding the taxpayer's property now on the Tax Comparison Statement.

2. Is my county required to use the new TS-1 Tax Comparison Statement and Tax Bill?

Yes, IC 6-1.1-22-8.1 requires that a county issue the Tax Comparison Statement and Tax Bill for tax bills payable in 2008 and forward. There was a compromise for the 2008 billing year only that a county may issue their own custom Tax Bill this year accompanied by the new TS-1 Tax Comparison Statement. If the county fails to use the TS-1 form, as required by law, the county's tax bill will be declared invalid and in violation of the requirements of Indiana Code section 6-1.1-22-8.1. As a result of this violation, the county will be required to re-print and mail new, compliant tax bills to taxpayers.

3. Why do the TS-1-P (Provisional Tax Bill) instructions state to use 100% of last years Gross Bill instead of 90%?

Emergency rule, LSA Document #08-297(E), calls for the use of 100% of the previous year's net tax amount for Pay 2008 provisional bills. This amount is then offset by the amounts listed in question #4. This order can be found at <http://www.in.gov/dlgf/newFiles/Memo-LSA-ApprovedEmergencyRuleREprovisional-taxBills.pdf>.

4. Are the many changes from this year's legislation incorporated into the calculation of Provisional Bills?

Yes, if your county chooses to issue a Provisional Tax Bill, DLGF will provide you with offset rates based upon existing and new relief. These rates will be used to calculate the 'Minus Additional Projected 2008 State Tax Relief' and 'Minus Additional Projected 2008 Local Tax Relief' amounts on the TS-1-P.

5. Will the State provide the State and Local Relief rates for my TS-1-P (Provisional Bill)?

Yes, the DLGF will provide you with the rates to calculate the 'Minus Additional Projected 2008 State Tax Relief' and 'Minus Additional Projected 2008 Local Tax Relief' upon request. Please send your request to Charlie Bell at cbell@dlgf.in.gov.

6. How many provisional bills do I need to send out?

If your county chooses to issue Provisional Tax Bills, the DLGF recommends that you request one (1) provisional payment and one (1) reconciliation payment.

7. Can I print the TS-1 in black and white instead of color?

Yes, IC 6-1.1-22-8.1(2)(c) as passed in HB1001 this year allows the TS-1 to be produced in color or black-and-white.

8. Does the TS-1 have to go in the same envelope with the Tax Bill?

Yes, IC 6-1.1-22-8.1(2)(c) requires that the TS-1 accompany the Tax Bill.

9. May I add information regarding submitting an online payment to the form?

Yes, some counties are choosing to add information regarding their online payment system to existing language regarding payments. If you choose to do this, please inform DLGF and submit a mock-up for approval to Charlie Bell at cbell@dlgf.in.gov.

10. Do I need to have my TS-1 approved by the State?

If you choose to issue the State prescribed TS-1 (Options 1,3,4,5,6,7), no further approval is needed. If your county chooses option 2, your county tax bill must be submitted for approval. Please submit a .pdf format for SBoA approval to Tammy White at tawhite@sboa.in.gov. This must be done even if the form has been approved in previous years.

11. Why are some of the versions 17 inches or 22 inches long? Does the State have vendors that can produce these?

Due to the quantity of information required on the TS-1 and feedback from some counties and vendors, the DLGF created these options to allow for a single page document with both two (2) and four (4) remittance stubs. The DLGF has not inquired with vendors regarding acquiring paper, printing or fulfillment of these forms that were produced upon request.

12. For mailing purposes, is it possible to add a line for the postal bar code? Can the mailing address be printed in a larger font?

You can make room for the postal bar code by making adjustments to table 1 (one) and balancing the form down one line. Counties will be able to insert the postal bar code above the address. The label itself cannot be moved to accommodate the postal bar code.

13. There isn't room for both the old parcel number and the new 18-digit parcel number. Can counties list the new above the old property number?

There is sufficient space (45 characters) to list the property numbers side-by-side. Please list them with the 18-digit parcel number first, followed by the county parcel number.

14. The TS-1 Forms online are done in green and blue. Are those colors required, or can the forms be printed in black and white?

According to statute, the form can either be in black and white, or in color. Again, the Department will consider any requests to alter the prescribed color scheme--simply send us a mock-up for review and approval.

15. Is a city municipality able to add delinquent sewage/water fees to the 2008 pay 2009 tax bill for their residents? For 2007 pay 2008, the city has asked that we list this new charge name on the tax bill but list zero cost as notification to its taxpayers. Is this acceptable to the DLGF?

If the municipality is so inclined, there isn't a problem adding that fee to the line. The sewage/storm water fees would be included in "Table 3: Other Applicable Charges To This Property." If the fee is new for 2008 pay 2009, there would have been no charge for 2007 pay 2008 and consequently column 16. Amount 2007 would be the amount of the fee past due and accounted for in Table 1, column 7, line 4c. Plus prior year overdue taxes, with any additional fees/penalties/interest added.

16. Can the county still add additional informational flyers/documentation with the tax statements as we do not feel we have enough space based on the DLGF design?

The TS-1 does provide designated space for county payment information. The amount of space varies based on the TS-1 option selected by the county. All TS-1 options have been published online at <http://www.in.gov/dlgf/5628.htm>. Counties may also prepare separate inserts to be collated and mailed with the tax bill.

17. Can a variation of paper sized be used?

The TS-1 form itself will require 12.5-inch to 13.5-inch vertical spacing to fit the detail required in the form; 11-inch vertical spacing will not be sufficient. TS-1 Option 1 is provided with a two page 8.5-inch x 17-inch format. You may review the available options online at <http://www.in.gov/dlgf/5628.htm>.

18. Next to the Property Number test, the field is "Property Tax Code." Shouldn't this really be the state number property number followed by the local number?

The line you reference above appears in a much earlier version of the form, and has been modified subsequently. If you could, please verify that you are using an approved version of the form, available at <http://www.in.gov/dlgf/5628.htm>.

19. The taxpayer address needs a line 2 address as in the first portion of the form as it often is very helpful to the taxpayer and county officials. Can we add this?

The Department will consider modest changes to the format as long as they don't deviate substantially from the original. Please remember, however, that approval is required.

- 20. We use bank Lockbox processing and bar code scanners to timely receipt all tax payments. These stubs appear to be not big enough to safely process in the tax payment processors. There is not enough room to safely place the OCR line and bar code. If these are placed too close together, the bank cannot process them. Also, these cannot be placed anywhere near the text block "Pay This Amount" as the block interferes with the accurate reading of the barcodes/OCR lines.**

In constructing the form the Department carefully reviewed Lockbox specifications to ensure that the desired format fit these technical requirements. We have also re-reviewed specifications from various counties to ensure compliance, and have found that our format is sufficient. Several options are available for counties that allow for multiple sizes of remittance forms - perhaps another option would better suit your needs.

- 21. Is the 5% message on the TS-1 payment coupons correct?**

The TS-1 form uses the general 5% - 10% rule for delinquent payments. There are situations where the 5% rule does not apply; however, the statute more clearly defines the penalties – the form is only to generally state the penalty provisions, since there is not enough space to fully flesh out the law.

- 22. TS-1-P line 3a. Can additional language be added to the description of this line such as "Other charges may include conservancy, drain(s), or solid waste fees"?**

The DLGF is willing to entertain modest additions to the document; however, it is unlikely, however, that any wording changes will be allowed to the content in Summary Table 1.

- 23. TS-1-P line 3b. What does "Current Year" mean? The 2006 pay 2007 tax bill, or is this intended for a possible second fall provisional to show how much had been paid on the first provisional? How is the amount on this line different from line 3c, which refers to "Prior Year"?**

For "Current Year," this means any late taxes attributable to the property for 2007, as well as any penalties that accrue for late taxes in Pay 08 (if applicable). "Prior Year" would be delinquent taxes from Pay 06.

- 24. The language under the table that includes dollar amounts that begins with "Under Indiana law," and includes a note stating "The statement is due to be paid in installments on ____ (insert date) and ____ (insert date)." What is this second date field supposed to be? Is it the "hopeful" due date of a reconciling bill, and if so, what if that date is not met? The language indicates that payment is due in installments; yet there is only a single payment coupon.**

IC 6-1.1-22.5-9 and the emergency rule indicates a general rule that provisional tax bills "are due in two (2) equal installments on May 10 and November 10." However, there are three exceptions to this general rule. First, if the notices assessment (e.g. Form 11s) are given to the taxpayers in the county after March 26, 2008, the property taxes that would otherwise be due on May 12, 2008 are due the later of: (1) May 12, 2008; or thirty (30) days after the mailing of the provisional tax bills.

The second field date should probably be November 10, 2008, since that is the "general rule" per IC 6-1.1-22.5-9 and it is likely unknown when the abstract will be complete and received by the county treasurer at this point in the process.

There is only a single payment coupon because of the hope of the DLGF that the abstract will be received by the county treasurer "at least thirty (30) days before the due date of the second installment specified in the provisional statement," which will allow for the mailing of a reconciling tax bill in lieu of the second provisional tax bill.

Please note that HEA 1001 added Indiana Code section 6-1.1-22.5-18.5, effective upon passage – March 19, 2008, and allows a county council to adopt an ordinance to allow a taxpayer to make installment payments of a reconciling tax bill. If such an ordinance passes in the county, notify the DLGF as this will require the use of multiple reconciling tax bill coupons.

- 25. The direction given in the latest "Field Format Documentation" document directs us to display all values as negative numbers, including the minus sign (i.e. – 32.20) on all lines in Table 1 where the line descriptions begin with the word "Minus..." This would include lines 1a, 3a, 3b, 3c and 4d. I fully understand what they are attempting to accomplish, show a visual representation in the columns for "Last Year" (column 6) and "This Year" (column 7) values, what is the logic behind subtracting negative numbers.**

The documentation requires these numbers be represented as negative numbers. They should be placed within parenthesis, and no minus sign is required.

- 26. The direction given in the latest "Field Format Documentation" document directs us to develop the "Percent Difference" in Table 2, column 14 as the amount distributed to the state this year indicated in column 12 (using the "STATE" line for example purpose only) less the amount distributed to the state last year in column 11 (sum of which SHOULD equal the "Tax Difference" displayed in column 13) divided by the "Total Difference" which is the sum of column 13 – "tax difference." Is this the desired presentation of this data in column 14?**

The documentation for column 14 requires the tax distributed to the taxing unit this year (column 12) minus the tax distributed to the taxing unit last year (column 11) divided by the total difference (column 13 total – T2_C13_Tot_Diff).

- 27. When can provisional statements be sent out? Once settlement is approved, or after distribution is made?**

Provisional bills are meant to offer counties a means of collecting revenues while completing the budget process, and as such can be sent out at any point in the budget process, once a county determines statutory budget deadlines cannot be met. The provisional bill calculations are based on 100% of 2007 pay 2007 net taxes owed and further calculated based on rates provided by DLGF. If your county will be sending provisional bills you must formally notify DLGF and request the rates that apply to your county.

- 28. Upon request to the DLGF from the treasurer for the rate to be used for the "projected 2008 state tax relief" and "projected 2008 local tax relief"; when can a county expect to receive this figure?**

These figures are currently on file at the DLGF and therefore can be sent as soon as a formal request from the county is received.